

Exhibit 9

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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

UNITED STATES OF AMERICA,

Plaintiff,

v.

JASON NIELSEN,

Defendant.

Case No. **CR 22-00161-BLF**

VIOLATIONS:

15 U.S.C. §§ 77q(a) & 77x – Securities Fraud;
18 U.S.C. §§ 981(a)(1)(C) and 28 U.S.C.
§ 2461 – Criminal Forfeiture

SAN JOSE VENUE

I N F O R M A T I O N

The United States Attorney charges that:

Introductory Allegations

1. Arrayit Corp. (“Arrayit”) was a publicly-traded medical technology company

1 incorporated in Nevada, and based in Sunnyvale, California. Arrayit described itself as “a world leader
2 in microarray technology empowering researchers and doctors in the life sciences, wellness and
3 healthcare testing markets.”

4 2. Shares of Arrayit stock were traded “over the counter” (“OTC”) using the ticker symbol
5 “ARYC.” The OTC market is a system of trading stocks that are not listed on centralized stock
6 exchanges, such as the New York Stock Exchange or Nasdaq. Many OTC stocks are known as “penny
7 stocks” that trade for less than one dollar per share. As a security traded OTC, individuals, entities, and
8 other investors were able to buy or sell Arrayit shares. Arrayit securities were regulated by the U.S.
9 Securities and Exchange Commission (“SEC”).

10 3. Defendant JASON NIELSEN (“NIELSEN”) was a large investor in Arrayit who, at
11 various times, owned as much as 10% of Arrayit’s stock. NIELSEN frequently posted on public
12 message boards related to OTC securities, including Arrayit. One such public message board was
13 “Investors Hub,” or “iHub.” NIELSEN posted on public message boards using the username
14 “PennyStockAlert,” and frequently posted messages about Arrayit.

15 The Scheme to Defraud

16 4. Beginning in or around 2019 and continuing through in or around 2020, NIELSEN
17 engaged in a scheme to defraud purchasers and sellers of Arrayit’s securities by communicating and
18 reposting materially false and misleading information about Arrayit, the existence of genuine supply and
19 demand for Arrayit securities, and the nature of his personal financial stake in Arrayit securities, all in
20 order to fraudulently induce other investors to purchase Arrayit securities and thereby drive up the
21 stock’s price, and all while NIELSEN simultaneously and secretly was selling his own previously
22 acquired shares at an artificially inflated price.

23 5. The purpose of the scheme to defraud was for NIELSEN to enrich himself at the expense
24 of other investors by purchasing and selling Arrayit securities through fraudulent and manipulative
25 means.

26 6. NIELSEN used a variety of manners and means in furtherance of the scheme, including,
27 among others:

28 a. “Scalping,” which is a form of market manipulation in which an individual

1 purchases shares of a stock, recommends that others purchase the stock without disclosing his intention
2 to sell, and subsequently sells the stock. NIELSEN engaged in scalping in furtherance of the scheme by
3 making materially false and misleading statements to the public and to Arrayit shareholders about the
4 nature and timing of NIELSEN's own financial interest in Arrayit securities, at times representing that
5 he was purchasing or holding shares of Arrayit securities he was promoting on iHub when, in fact, he
6 was secretly selling Arrayit securities;

7 b. "Spoofing," which is the manipulative and deceptive practice of placing orders to
8 buy and sell securities with the intent to cancel those orders before execution. NIELSEN engaged in
9 spoofing in furtherance of the scheme by placing orders to buy large quantities of Arrayit stock that he
10 intended to cancel before execution in an effort to deceive the public and Arrayit shareholders by
11 signaling the existence of demand for Arrayit securities which did not exist, and to allow NIELSEN to
12 sell his shares at artificially inflated prices;

13 c. Using his iHub account to disseminate false, positive news and information about
14 Arrayit and the release of Arrayit's financial reports; and

15 d. Concealing, through false and misleading statements, NIELSEN's scheme to
16 defraud purchasers and sellers of Arrayit's securities and the market at large, and to illegally profit from
17 the proceeds of the scheme.

18 7. It was further a part of the scheme to defraud that NIELSEN took the following actions,
19 among others:

20 a. In furtherance of his scalping scheme, NIELSEN falsely posted on iHub about his
21 trading plans and position with regard to Arrayit stock. For example, on or about February 26, 2020,
22 NIELSEN posted, among many positive posts about Arrayit, "My ARYC shares are also locked up. No
23 one can shake them from my bulletproof safe 🛡️." On the same day, NIELSEN sold 300,000 Arrayit
24 shares.

25 b. On or about March 27, 2020, while NIELSEN was selling shares, NIELSEN
26 placed "spoof" orders to buy 2,000,000 shares at prices away from the best bid with the intent to cancel
27 those orders before execution. NIELSEN then posted to iHub about his bids, stating "Oh Boy Lol....2
28 million share bid." Other posters replied with comments about the 2,000,000-share bids, but NIELSEN

never acknowledged that he was, in fact, the one who had submitted the bids or that he intended to cancel those orders before execution. NIELSEN subsequently cancelled the bids.

c. In or around March 2020 through in or around April 2020, after Arrayit announced that it had created a COVID-19 test, NIELSEN repeatedly posted positive news about Arrayit's COVID-19 test and the company's potential. On or about March 18, 2020, NIELSEN posted the same link to the Arrayit website's instructions on COVID-19 testing repeatedly on iHub throughout the day. NIELSEN also repeatedly stated his view on iHub that the stock was destined for high prices in light of the news about the COVID-19 test, including a post saying "Give it time. 10% gainer tomorrow...easy."

d. While NIELSEN was repeatedly posting about Arrayit's COVID-19 test and suggesting that Arrayit had a high upside, he was selling his own shares. From on or about March 11, 2020, through on or about April 6, 2020, while NIELSEN was promoting the stock on iHub, NIELSEN sold over 3,000,000 shares of Arrayit at elevated prices. As NIELSEN was selling, he posted on iHub that he was buying the stock. For example, on or about March 23, 2020, NIELSEN posted "I'm a buyer at this level" and on or about March 30, 2020, NIELSEN posted "I'll be buying another 100k tomorrow!" even as he was selling shares.

COUNT ONE: (15 U.S.C. §§ 77q(a) & 77x – Securities Fraud)

8. The allegations in Paragraphs 1 through 7 are realleged and incorporated as if fully set forth here.

9. Beginning in or around 2019 and continuing through in or around 2020, in the Northern District of California and elsewhere, the defendant,

JASON NIELSEN,

willfully and knowingly, in the offer and sale of securities, namely Arrayit stock, by the use of means and instruments of transportation and communication in interstate commerce and by use of the mails, directly and indirectly (a) employed a device, scheme, and artifice to defraud; (b) obtained money and property by means of an untrue statement of a material fact and an omission to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (c) engaged in a transaction, practice, and course of business which operated

or would operate as a fraud or deceit upon the purchaser, in violation of Title 15, United States Code, Sections 77q(a) and 77x.

FORFEITURE ALLEGATION: (18 U.S.C. §§ 981(a)(1)(C) & 28 U.S.C. § 2461 – Criminal Forfeiture)

10. The allegations in Paragraphs 1 through 7 and 9 are re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461(c).

11. Upon conviction of the offense alleged in Count One, the defendant,
JASON NIELSEN,
shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C) and Title 28, United States Code, Section 2461, any property, real or personal, which constitutes or is derived from proceeds traceable to said violations, including but not limited to a sum of money equal to the total proceeds from the commission of said offense.

12. If, as a result of any act or omission of the defendant, any of said property

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to or deposited with a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property, which cannot be divided without difficulty;

the United States shall be entitled to forfeiture of substitute property, pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 18, United States Code, Section 982(b)(1), and Title 28,

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United States Code, Section 2461(c).

All pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and Title 28, United States Code, Section 2461.

DATED: April 18, 2022

STEPHANIE HINDS
United States Attorney



LLOYD FARHAM
Assistant United States Attorney

JOSEPH S. BEEMSTERBOER
Acting Chief, Fraud Section

/s/ Laura Connelly
JACOB FOSTER
JUSTIN WEITZ
Assistant Chiefs
LAURA CONNELLY
Trial Attorney
Fraud Section, Criminal Division

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☒ INFORMATION ☐ INDICTMENT
☐ SUPERSEDING
OFFENSE CHARGED

15 U.S.C. §§ 77q(a) & 77x – Securities Fraud

- ☐
- Petty
-
- ☐
- Minor
-
- ☐
- Misdemeanor
-
- ☒
- Felony

PENALTY: Maximum 5 years in prison; Maximum fine of \$250,000 or twice the gross gain or loss; Maximum supervised release term of 3 years; \$100 mandatory special assessment; Forfeiture

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

DEFENDANT - U.S.

JASON NIELSEN

DISTRICT COURT NUMBER

CR 22-00161-BLF**PROCEEDING**

Name of Complainant Agency, or Person (& Title, if any)

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE
SHOW
DOCKET NO.
☐ this prosecution relates to a pending case involving this same defendant
MAGISTRATE
CASE NO.
☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

 Name and Office of Person
 Furnishing Information on this form STEPHANIE M. HINDS
☒ U.S. Attorney ☐ Other U.S. Agency

 Name of Assistant U.S.
 Attorney (if assigned) AUSA Lloyd Farnham
DEFENDANT**IS NOT IN CUSTODY**
 1) ☒ Has not been arrested, pending outcome this proceeding.
 If not detained give date any prior summons was served on above charges

 2) ☐ Is a Fugitive

 3) ☐ Is on Bail or Release from (show District)
IS IN CUSTODY
 4) ☐ On this charge

 5) ☐ On another conviction

☐ Federal ☐ State

 6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

 Has detainer
 been filed? ☐ Yes ☐ No

 If "Yes"
 give date
 filed

**DATE OF
ARREST**

Month/Day/Year

Or... if Arresting Agency & Warrant were not

**DATE TRANSFERRED
TO U.S. CUSTODY**

Month/Day/Year

☐ This report amends AO 257 previously submitted
ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☐ SUMMONS ☒ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☐ Arraignment ☐ Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: _____ Before Judge: _____

Comments: